

GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT

CA,F&CS Department – MSP Operations - Procurement of Maize through AP MARKFED – Enhancement of Procurement ceiling limit from 60,000 MTs to 2,00,000 MTs – Orders – Issued.

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CONSUMER AFFAIRS, FOOD & CIVIL SUPPLIES (CS.I(1) ) DEPARTMENT

G.O.MS.No. 14

Dated:18-05-2015  
Read the following:

- (1) G.O.MS.NO.3, CA,F&CS (CS.I) Department dated.17-03-2015.
- (2) G.O.MS.NO.197, Finance (R&E) Department, dt.04-10-2014.
- (3) From the Managing Director, AP MARKFED, Hyderabad,Lr.Rc.  
No.P&M/Rabi –Maize/MSP/2014-15 DT.17/4/2015 and  
dt.30-04- 2015

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ORDER :

Government vide reference first read above, permitted the Managing Director, AP MARKFED to act as State Procurement Agency and commence procurement to an extent of 60,000 MTs of Maize from the farmers under MSP operations with immediate effect. The losses sustained in procurement and disposal of Maize will be reimbursed by the Government.

2. The Managing Director, AP MARKFED, vide his letter dated.17-04-2015 in the reference third read above has informed about the progress of procurement of Maize and expressed the need for continuance of procurement exceeding the ceiling limit and requested the Government to extend the ceiling limit from 60,000 MTs to 1,40,000 MTs for procurement of Maize from the farmers and also requested to reimburse the loss incurred during the transaction.

3. The Managing Director, AP MARKFED, vide his subsequent letter dated 30-04-2015 has informed about the overwhelming response from the farmers and the stocks received in the procurement centers, it is necessary to further enhance the ceiling limit from 1,40,000 MT to 2,00,000 MTs so as to procure the Maize from the farmers duly giving MSP.

4. The key factor in the procurement process is the payment of Minimum Support Price to farmers within reasonable time. Therefore the Agency needs to mobilize adequate funds before commencing the procurement operations. But present process of taking approval of Finance Department for additional budget and also underwriting the losses for such operations is taking time which results in delay of commencement of procuring process by the Agencies nominated by the Government from time to time. Government after careful consideration of the entire issue in detail identified the necessity in formulation of a policy with regard to market interventions whenever the prices of food grains/pulses/coarse grains etc., fall below the Minimum Support Price

5. The State Government constituted 7 Sector Specific Missions. Primary Sector Mission is one among them, which is expected to be the principal instrument for farmer's empowerment. Government established Rythu Sadhikara Samstha under Primary Sector Mission vide reference second read above. The Rythu Sadhikara Samstha would be the Principal Agency of the A.P. Government to manage the Farm-sector Debt Redemption Policies and Programmes of the Government. The aim of the APRSS is to take up various measures and activities including financial support, agricultural debt redemption and such **other interventions** that would empower the farmers of Andhra Pradesh State.

6. Therefore to ensure quick response to market fluctuations, Government have decided to provide budgetary support from the A.P.Rythu Sadikara Samastha in procurement process to Civil Supplies Corporation/AP MARKFED and other State Level Agencies authorized by the State Government. Operational guidelines will be issued by the Chief Executive Officer, AP Rythu Sadikara Samastha.

7. Government, after consideration of the entire issue and the need for enhancement of ceiling limit for procurement of Maize from 60,000 MTs to 2,00,000 MTs , Government hereby accord permission to the Managing Director, AP MARKFED to procure the Maize from the farmers to the extent of 2,00,000 MTs by utilizing the balance credit limit available with NABARD in the first instance and the remaining funds will be released by the CEO, A.P. Rythu Sadikara Samastha, Hyderabad.

8. The Managing Director, AP MARKFED, Hyderabad, is requested to send necessary proposals for reimbursement of losses incurred during the procurement and disposal of Maize for the year KMS 2014-15 to the Government at the earliest.

9. The Commissioner, Civil Supplies, A.P. Hyderabad, is requested to take further necessary action in the matter.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

B.RAJSEKHAR,  
EX.OFFICIO SECRETARY TO GOVERNMENT

To

The Commissioner of Civil Supplies, A.P., Hyderabad

The Vice Chairman and Managing Director, APSCSC Ltd., Hyderabad.

The Managing Director, A.P. MARKFED, Hyderabad.

Copy to:

The Spl.Chief Secretary to Government, Agri.Markting & Coop., Hyderabad.

The Chief General Manager, NABARD, 1-1-61,RTC crosss Road, Hyderabad.

The Commissioner of Marketing, B.R.K.R. Bhavan, Hyderabad.

All Collectors / Joint Collectors in the State.

The GA (cabinet) Dept. A.P.Secretariat with reference to Council Resolution No.78/2015  
dt. 11.05.2015)

The P.S to Secretary to the Hon'ble Chief Minister.

The P.S. to Hon'ble Minister for Finance, A.P. Hyderabad.

The P.S to Hon'ble Minister for Food, Civil Supplies, Consumer Affairs, Legal Metrology, A.P. Hyderabad

The P. S to Hon'ble Minister for Agriculture and Horticulture, A.P., Hyderabad.

The P.S to Hon'ble Minister for Marketing Department, A.P. Hyderabad.

The P.S.to Principal Secretary to Govt., Finance Department

Spare /SF

// forwarded by order //

SECTION OFFICER